

Press Release

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ASTA Invests in Arkansas High-Tech Company

The Arkansas Science & Technology Authority yesterday closed on an investment that could lead to tremendous economic growth, new jobs and a competitive advantage for the state of Arkansas.

Through its Seed Capital Investment Program, ASTA invested \$295,000 in Hot Metal Technologies, Inc., (HMT) an Arkadelphia-based company in the business of manufacturing components for the automotive, machinery and equipment, housing, aerospace and electronics industries, primarily in the United States.

Using advanced metal alloys, as well as revolutionary processes, HMT can produce superior quality component parts that are light weight, porosity-free (no air bubbles), and near-net shape. Accepting the check on behalf of the company, HMT Chairman and Chief Financial Officer Jeffrey A. Doose said, "We expect Hot Metal Technologies to show dramatic growth in an industry that is undergoing a major transformation- a move toward lighter weight component parts - and our company is on the leading edge of that transformation."

According to HMT President William E. Clark and V.P. for Sales, Richard A. Mann, HMT will supply these products to market segments that are willing to pay a premium for component parts of such high standards. The initial market focus has been on aluminum

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components, both squeeze cast and thixocast (semisolid metal forming), for the automotive industry.

ASTA's Seed Capital Program is one of ASTA's original programs and provides risk financing to early stage companies and existing businesses wanting to expand new technology-based products or processes. "ASTA's investment has given Hot Metal Technologies the missing piece we needed to make the company competitive", said Doose. The company, which was established in 1992, maintains its facilities at the Clark County Industrial Park and will double its staff from eight to sixteen by the end of the month.

"Investing in this company represents the type of venture for which ASTA was created," said John Ahlen, President of ASTA. "Hot Metal Technologies is using innovative technology that can greatly impact an already mature industry." He added that ASTA became involved in the project to help the company meet its production requirements. "We want to ensure the growth and success of Hot Metal Technologies," said Ahlen, "because we're confident that this company's success will ultimately translate into the creation of new jobs, an increase in local and state tax revenues, and international notoriety." Ahlen believes that this revolutionary technology will help the State of Arkansas become more competitive, nationally and globally, as the economy continues to pose greater technological demands.